

long before their deficits would be quite in harmony with and proportionate to the deficits which have occurred on the Intercolonial. I think, Mr. Speaker, I have explained why it is that the Intercolonial, though not in the same class as the canals, has been a very good second as a deficit creator, and I have demonstrated to this House and this country the reasons therefor.

Now, let me take into consideration the current year. I am pleased to announce that as the result of more favourable conditions and of the reforms which have been applied to the Intercolonial, our showing for the first six months of the current fiscal year ending December 31 last, is exceedingly encouraging. Here are the figures :

Working expenses for 1905..	\$4,104,018
Working expenses for 1906..	3,925,219
Revenue for 1905..	3,621,263
Revenue for 1906..	3,853,960

Demonstrating the fact that during the first six months of the fiscal year ending June 30, 1905, our deficit was \$482,755; while for the six months of 1906, that is for the period between the 1st of last July and the 1st day of January, 1906, our deficit was \$71,259.

Mr. BARKER. Is that due to the difference in the snow fall?

Mr. EMMERSON. We did not have any snow last year up to the 1st day of January. Our snow difficulties last year, up to February and March, and up to January 1st, 1906, were precisely the same as they were in 1904 up to the 1st of January, 1905. Now there was a decrease in working expenses of \$178,797 in that period, and there was an increase in revenue of \$232,696; that is to say, the improvement for that period of six months was \$411,495. Now, Mr. Speaker, I am not going to claim any special credit personally for these results, but I am going to ask the House to indulge me for a few moments in calling their attention to one fact, and in so far as it is personal, I apologize to the House here and now. I was sworn in office on the 15th of January, 1904. Immediately thereafter I naturally visited my own constituency, and there was held an election which was somewhat gratifying to myself personally. There was another election the results of which were not so gratifying, as my hon. friend from St. John can testify. These occupied time. The session came on. I was new to the preparation of the estimates. My whole time was devoted to that session, and you will remember it was the long session which lasted until the snow fell in the autumn. Then came on the general elections. Following the general elections came the succeeding session, and with the sessional duties and my departmental burdens, I found it impossible to give any personal attention to an examination of the affairs of

the Intercolonial. It was not until the 29th day of July last that I was able to start from Ottawa with a view of inquiring into matters affecting that railway. During that month, or about that time, I succeeded in securing the very able assistance of Mr. M. J. Butler as deputy minister and chief engineer, and with him, commencing about the 1st of August, I started over the Intercolonial. I am bound to say that we discovered many things. I do not speak as an expert, I only state the result of the information that was given me when I say that we found many things that would not meet with the approval of railway experts. Certain reforms were considered necessary and these have been applied. You will remember that we did not go over the system until August. It took us some six weeks to travel over the Intercolonial and the Prince Edward Island Railway. Certain reforms were inaugurated and applied then, and some are being applied now. Naturally we could not expect great results in so short a period. Naturally it would be impossible for any man to go on a railway, diagnose the case as he might, recognize the difficulties as he might, and in so short a time apply a remedy calculated to accomplish better results.

The same effort was made in the way of cutting down unnecessary expense, and in the way of inviting the consideration of the officials of the road. It was my pleasure and privilege to ask the representatives of the several departments to meet me in conference in regard to the conditions affecting the Intercolonial Railway. I did not merely consult with the head officials, the managers, superintendents and the other officials holding the higher positions in the employ of the railway, but I consulted with the representatives of the trackmen, the mechanics, the car men, the machinists, the telegraphers and the train dispatchers; each in their turn came and met us in Moncton, representatives, I say, of the several bodies, the trainmen, the conductors, the engine men, the locomotive engineers, the trackmen, and the firemen. We took into consideration and discussed with them the question which affect them in their employment, which affect the success of the railway, and I am bound to say that these men contributed in a very marked degree in assisting us in locating leaks, in locating difficulties and in remedying what were considered as errors. Now, as a result of this conference I think we succeeded in at least making these men recognize that there was some responsibility resting upon them for the successful operation of the Intercolonial Railway. It will be recognized that no Minister, no deputy minister, no general manager, can successfully apply remedies or making a success of the operation of the road unless he has the whole-souled and sympathetic co-operation of the employees thereof.